

Message Text

LIMITED OFFICIAL USE

PAGE 01 ROME 04306 161715Z
ACTION EUR-12

INFO OCT-01 ISO-00 AID-05 CIAE-00 COME-00 EB-08 FRB-03
INR-07 NSAE-00 USIA-06 XMB-02 OPIC-03 SP-02 LAB-04
SIL-01 OMB-01 ABF-01 FS-01 NSC-05 SS-15 STR-04 CEA-01
DODE-00 PA-01 PRS-01 /084 W
-----170354Z 063329 /75-61

R 161455Z MAR 77
FM AMEMBASSY ROME
TO SECSTATE WASHDC 3381
TREAS WASHDC

LIMITED OFFICIAL USE ROME 4306

E.O. 11652: N/A
TAGS: EFIN, IT
SUBJECT: FOREIGN EXCHANGE MARKET NERVOUS AFTER WEEKEND VIOLENCE

1. ON MONDAY, MARCH 14, LIRA CLEARLY SHOWED EFFECTS OF WEEKEND OF VIOLENCE. LIRA/DOLLAR RATE REACHED AT TIMES 890 ON ITALIAN AND FOREIGN EXCHANGES; RATE FIXED OFFICIALLY IN ITALY AT 886.475, BUT UNDERLYING MARKET CONSIDERABLY ALTERED FROM PRECEDING EQUILIBRIUM CONDITIONS AT 885 RATE. BANK OF ITALY APPEARS TO HAVE REGAINED CONTROL OF SITUATION DURING SUCCEEDING TWO DAYS; OFFICIAL FIXING 887 MARCH 15 AND 886.95 MARCH 16. EXCESS DEMAND FOR DOLLARS, HOWEVER, CONTINUES TO PREVAIL AT PRESENT RATE.

2. LIRA SUFFERED LESS THAN EXPECTED ON ELIMINATION OF TAX AND FORCED DEPOSIT AT END FEBRUARY, NOR DID MOST RECENT INDICATORS ON TRADE AND INFLATION, WHICH SHOWED WORRISOME TRENDS CONTINUING THROUGH JANUARY, HAVE ANY ADVERSE EFFECTS AT TIME OF PUBLICATION MARCH 8 AND 9. CURRENT SHAKINESS IS PROBABLY LARGELY ATTRIBUTABLE TO HEIGHTENED CLIMATE OF POLITICAL AND SOCIAL TENSIONS. BEAUDRY
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 ROME 04306 161715Z

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: FOREIGN EXCHANGE RATES, LIRA
Control Number: n/a
Copy: SINGLE
Sent Date: 16-Mar-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977ROME04306
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770091-0301
Format: TEL
From: ROME
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770352/aaaabtrt.tel
Line Count: 55
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 68c209b7-c288-dd11-92da-001cc4696bcc
Office: ACTION EUR
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 11-Mar-2005 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3087902
Secure: OPEN
Status: NATIVE
Subject: FOREIGN EXCHANGE MARKET NERVOUS AFTER WEEKEND VIOLENCE
TAGS: EFIN, IT
To: STATE TRSY
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/68c209b7-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009